



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

512-804-4000 telephone • 512-804-4811 fax • www.tdi.texas.gov

MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

DR DANIEL MCLEAN
1801 SOUTH 5TH ST SUITE 120
MCALLEN TX 78503

DWC Claim #:
Injured Employee:
Date of Injury:
Employer Name:
Insurance Carrier #:

Respondent Name

CASTLEPOINT NATIONAL INSURANCE

Carrier's Austin Representative Box

Box Number 17

MFDR Tracking Number

M4-11-2738-01

MFDR Date Received

April 12, 2011

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary as stated on the Table of Disputed Services: "Did not receive denial until we called on 021711. The denial stated the audit date was 012811. On 021811 we faxed the operative report for review with an appeal. The appeal denied on 031611."

Amount in Dispute: \$2425.00

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "On 12/10/2010 the Carrier filed a PLN-11 denying all diagnoses with the exception of a low back strain/sprain. The issue related to the claimant's claim that the hernia condition is related proceeded to a Benefit Review Conference and a Contested Case Hearing on the compensability of this diagnosis/condition was held on April 4, 2011. As of the date of this letter the Hearing officer has not ruled on this matter."

Response Submitted by: SUA; PO Box 154110; Irving Texas 75015

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
November 9, 2010	CPT code 49505 AQ LT	\$ 2425.00	\$903.80

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.305 sets forth general provisions regarding dispute of medical bills.
2. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
3. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits dated January 28, 2011 and March 16, 2011

- 216 – Based on the findings of a review organization
- 880-139 – reimbursement has been denied based upon the recommendation of a peer review
- 45 – Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement
- 100 – Any network reduction is in accordance with the network referenced above
- 113-001 – Network import re-pricing – contracted provider

Issues

1. Has the extent of injury issue been resolved?
2. Did the respondent support its '216' denial reason code?
3. Did the respondent support its '45' claim adjustment code?
4. Is the requestor entitled to reimbursement?

Findings

1. A benefit review conference was held on February 9, 2011 to mediate resolution of the disputed issues; however, the parties were unable to reach an agreement. A contested case hearing was held on April 4, 2011 to determine the extent of the compensable injury. The compensable injury is lumbar sprain/strain. Per the Decision and Order issued on April 13, 2011, the hearing officer determined the compensable injury includes or extends to include a left inguinal hernia. The compensable injury does not include or extend to include disc bulges at L2-L3, L3-L4, L4-L5, and a disc herniation at L5-S1. The claimant appealed the hearing officer's decision and an Appeals Panel Decision affirming the hearing officer's decision became final on July 1, 2011. The extent of injury issue has been resolved and the disputed service will be reviewed per applicable Division rules and fee guidelines.
 2. The respondent also denied the disputed service based on reason code "216 - Based on the findings of a review organization." The respondent did not include a copy of the peer review; therefore, this denial reason code is not supported and the disputed service will be reviewed per applicable Division rules and fee guidelines.
 3. The respondent also denied the disputed service based on reason code "45 - Charge exceeds fee schedule/maximum allowable or contracted/legislated fee arrangement." The "Network Reduction" column on the explanation of benefits dated January 28, 2011 and March 16, 2011 denotes a "\$0.00 reduction. The respondent did not clarify or otherwise address the '45' claim adjustment code upon receipt of the request for dispute resolution, nor was documentation provided to support a contractual agreement. For these reasons, the division finds that the '45' claim adjustment code is not supported and the disputed service will be reviewed per applicable Division rules and fee guidelines.
 4. The requestor is entitled to reimbursement. 28 Texas Administrative Code §134.203(b) (1) states "For coding, billing, reporting, and reimbursement of professional medical services, Texas workers' compensation professional medical services, Texas workers' compensation system participants shall apply the following:(1) Medicare payment policies, including its coding; billing; correct coding initiatives (CCI) edits; modifiers; bonus payments for health professional shortage areas (HPSAs) and physician scarcity areas (PSAs); and other payment policies in effect on the date a service is provided with any additions or exceptions in the rules."
 - CPT code 49505: WC conversion factor (CF) \$68.19 ÷ Medicare conversion factor (CF) \$36.8729 x participating amount \$488.72 = \$903.80.
- 28 Texas Administrative Code §134.203(b) (1) further states in paragraph (2) "A 10 percent incentive payment shall be added to the maximum allowable reimbursement (MAR) for services outlined in subsections (c) - (f) and (h) of this section that are performed in designated workers' compensation underserved areas in accordance with §134.2 of this title (relating to Incentive Payments for Workers' Compensation Underserved Areas)."
- The requestor billed with modifier –AQ to designate services performed in a designated workers' compensation underserved area. Division Rule at §134.2 (b) lists the ZIP codes that comprise the Division's designated workers' compensation underserved areas. The requestor's place of service zip code 78539 is not on the list; therefore, no additional reimbursement can be recommended.

Conclusion

For the reasons stated above, the requestor has established that reimbursement is due. As a result, the amount ordered is \$903.80.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031 and §413.019 (if applicable), the Division has determined that the requestor is entitled to reimbursement for the service involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$903.80 plus applicable accrued interest per 28 Texas Code §134.130 due within 30 days of receipt of this Order.

Authorized Signature

_____	_____	July , 2012
Signature	Medical Fee Dispute Resolution Officer	Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision* together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party.****

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.